

## STATE OF WASHINGTON

## WASHINGTON STATE LIQUOR CONTROL BOARD

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## Manufacturers, Importers, and Wholesalers Section Licensing and Regulation Division

**Date:** August 4, 2005

**To:** Washington State Wineries & Breweries

**Subject:** LAWS GOVERNING TRADE ASSOCIATION ACTIVITY

It has come to our attention that Washington wineries and brewers have formed trade associations, some of which partner with retail licensees in various ways to promote their businesses. This memo is to advise you about state law pertaining to beer and wine trade associations.

Washington's tied house statutes prohibit beer and wine manufacturers from partnering with retail licensees to promote their businesses. **Beer and wine trade associations are considered agents of the breweries and wineries they represent.** As such, they cannot be used as vehicles to circumvent tied house statutes.

The following restrictions apply to trade association activity:

- Brochures, advertising or other printed documents published by a beer or wine trade association may not list the names of licensed retail businesses.
- Breweries and wineries cannot provide money to trade associations or direct associations to:
  - bring an event to a retail licensed premises;
  - facilitate a partnership with a retail licensee;
  - advertise an event held at a retail licensed premises;
  - create an advertisement naming both the non-retail licensee and the retail licensee,
  - give away novelty items to a retailer or customers on a retail licensed premises;
  - provide services or equipment to a retail licensee.

The statutes relevant to this activity are RCW 66.28.010 ("Tied-house" Statute); WAC 314-12-140 (Prohibited Practices); and WAC 314-52-090 (Advertising).

If you have any questions, please contact Rich Manoli, Non-retail Supervisor, at 206 464 7845 or RAM@liq.wa.gov.